



# **Q2 | HALF-YEAR FINANCIAL REPORT**

**JANUARY 1 – JUNE 30, 2024**



Suominen Corporation's Half-Year Financial Report on August 9, 2024, at 9:30 a.m. (EEST)

Suominen Corporation's Half-Year Financial Report for January 1 – June 30, 2024:

## Gradual improvement continued

### KEY FIGURES

	<b>4-6/ 2024</b>	4-6/ 2023	<b>1-6/ 2024</b>	1-6/ 2023	1-12/ 2023
Net sales, EUR million	<b>118.7</b>	112.7	<b>232.3</b>	229.5	450.9
Comparable EBITDA, EUR million	<b>5.0</b>	2.7	<b>9.5</b>	5.3	15.8
Comparable EBITDA, %	<b>4.2</b>	2.4	<b>4.1</b>	2.3	3.5
EBITDA, EUR million	<b>3.8</b>	-1.9	<b>8.4</b>	0.7	11.2
EBITDA, %	<b>3.2</b>	-1.7	<b>3.6</b>	0.3	2.5
Comparable operating profit, EUR million	<b>0.4</b>	-2.1	<b>0.3</b>	-4.1	-2.8
Comparable operating profit, %	<b>0.3</b>	-1.9	<b>0.1</b>	-1.8	-0.6
Operating profit, EUR million	<b>-0.8</b>	-6.7	<b>-0.7</b>	-8.8	-7.5
Operating profit, %	<b>-0.7</b>	-6.0	<b>-0.3</b>	-3.8	-1.7
Profit for the period, EUR million	<b>-1.9</b>	-8.2	<b>-2.9</b>	-12.1	-12.8
Cash flow from operations, EUR million	<b>2.1</b>	6.4	<b>-0.1</b>	9.7	30.7
Cash flow from operations per share, EUR	<b>0.04</b>	0.11	<b>0.00</b>	0.17	0.53
Earnings per share, basic, EUR	<b>-0.03</b>	-0.14	<b>-0.05</b>	-0.21	-0.22
Return on invested capital, rolling 12 months, %	–	–	<b>0.3</b>	-6.7	-4.1
Gearing, %	–	–	<b>47.9</b>	43.5	35.3

In this financial report, figures shown in brackets refer to the comparison period last year if not otherwise stated.

#### April–June 2024 in brief:

- Net sales increased by 5% and amounted to EUR 118.7 million (112.7)
- Comparable EBITDA increased to EUR 5.0 million (2.7)
- Cash flow from operations was EUR 2.1 million (6.4)

#### January–June 2024 in brief:

- Net sales were in line with the previous year and amounted to EUR 232.3 million (229.5)
- Comparable EBITDA was EUR 9.5 million (5.3)
- Cash flow from operations was EUR -0.1 million (9.7)

## **Outlook for 2024**

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2024 will increase from 2023. In 2023, Suominen's comparable EBITDA was EUR 15.8 million.

### **Tommi Björnman, President & CEO:**

"During the second quarter of 2024, our net sales grew by 5% from the comparison period and were EUR 118.7 million (112.7). Sales volumes increased from comparison period, however, sales prices decreased driven by the lower raw material prices.

Our ability to innovate and meet market needs is reflected in the share of net sales from new products launched in the last three years, which continued on a very good level and exceeded 37% in the first half of the year.

We were able to improve our quarterly comparable EBITDA to EUR 5.0 million (2.7), supported by increased sales volumes, especially in Americas, and better sales margins.

We have been focusing on our commercial and operational excellence, especially on the production efficiency, and we have seen gradual improvements. We are expecting this progress to continue going forward.

As we announced in early May, we are investing to further improve our capabilities in sustainable products by enhancing and upgrading one of our production lines in Bethune, South Carolina, USA. With this investment we strengthen our position as the leader in sustainable nonwovens in the Americas market. The investment is proceeding as planned, targeting commercialization on H1/2025.

As part of our ongoing transformation journey, we initiated at the end of May a restructuring program to reposition Suominen towards profitable growth. We expect the program to generate annualized savings of EUR 1.5 million. This program is a continuation of the transformation we initiated last year with the new operating model, and it will support our ability to achieve necessary financial and process improvements as we move forward.

Generally, Suominen's target market is rather stable with some uncertainty related to the global economic sentiment. In the short term we do not see any major changes in the target market."

## **NET SALES**

### **April–June 2024**

In April–June 2024, Suominen's net sales increased by 5% from the comparison period to EUR 118.7 million (112.7). Sales volumes were higher than in the comparison period, but sales prices decreased following lower raw material prices. The impact of currencies on net sales was EUR 0.6 million positive.

Suominen's business areas are Americas and EMEA. The net sales of the Americas business area were EUR 75.7 million (69.8) and of the EMEA business area EUR 43.0 million (42.9).

### **January–June 2024**

In January–June 2024, Suominen's net sales were in line with the previous year and amounted to EUR 232.3 million (229.5). Sales volumes increased from H1/2023 but sales prices were lower. The currency fluctuations did not materially impact net sales.

The net sales of the Americas business area were EUR 145.7 million (144.8) and of the EMEA business area EUR 86.5 million (84.7).

## **EBITDA, OPERATING PROFIT AND RESULT**

### **April–June 2024**

Comparable EBITDA (earnings before interest, taxes, depreciation and amortization) was EUR 5.0 million (2.7). The increase was driven mainly due to higher sales volumes and better sales margins.

The impact of currencies on comparable EBITDA was EUR -0.1 million.

EBITDA was EUR 3.8 million (-1.9) due to items affecting comparability arising from the restructuring program launched in the end of May and the closure of production at the Mozzate plant in Italy. The items affecting comparability of EBITDA totaled EUR -1.2 million (-4.6).

Comparable operating profit increased from the comparison period and amounted to EUR 0.4 million (-2.1). Operating profit improved and was EUR -0.8 million (-6.7). The items affecting comparability of operating profit totaled EUR -1.2 million (-4.6).

Profit before income taxes was EUR -1.9 million (-8.0), and profit for the reporting period was EUR -1.9 million (-8.2).

### **January–June 2024**

Comparable EBITDA (earnings before interest, taxes, depreciation and amortization) was EUR 9.5 million (5.3). Our sales prices were generally lower but were offset by higher sales volumes and lower raw material costs. The impact of currencies on EBITDA was EUR -0.1 million.

EBITDA improved to EUR 8.4 million (0.7). The items affecting comparability of EBITDA totaled EUR -1.0 million (-4.6).

Comparable operating profit was EUR 0.3 million (-4.1). Operating profit increased and was EUR -0.7 million (-8.8). The items affecting comparability of operating profit totaled EUR -1.0 million (-4.7).

Profit before income taxes was EUR -2.6 million (-11.6), and profit for the reporting period was EUR -2.9 million (-12.1).

## **FINANCING**

The Group's net interest-bearing liabilities at nominal value amounted to EUR 56.6 million (55.4) at the end of the review period. The gearing ratio was 47.9% (43.5%) and the equity ratio 37.6% (39.7%).

In January–June, net financial expenses were EUR -1.9 million (-2.8), or -0.8% (-1.2%) of net sales. Fluctuations in exchange rates decreased the net financial expenses by EUR 0.5 million (increased by EUR 0.3 million).

Cash flow from operations in April–June was EUR 2.1 million (6.4) and in January–June EUR -0.1 million (9.7), representing a cash flow per share of EUR 0.00 (0.17) and EUR 0.04 (0.11) for the quarter.

In the second quarter the change in working capital was EUR -1.2 million (9.0).

The decrease in the cash flow from operations in the first half of the year was mainly due to negative change in net working capital as more cash was tied to inventories and receivables. The change in net working capital was EUR -7.0 million (12.1).

On March 28, Suominen agreed on extending the maturity of the EUR 100 million syndicated revolving credit facility million with an additional year to July 2026.

## **CAPITAL EXPENDITURE**

In January–June, the gross capital expenditure totaled EUR 6.4 million (3.7), of which the largest single investment was related to the upgrade of one of the production lines at the Bethune plant in the US. Other investments were mainly normal maintenance investments.

Suominen announced in May that it strengthens its capabilities in sustainable products by enhancing and upgrading one of its production lines in Bethune, South Carolina, USA. The investment is made in line with Suominen's strategy and supports company's vision to be the frontrunner in nonwovens innovation and sustainability. The total value of the investment is approximately EUR 10 million and the investment project will be completed in the first half of 2025.

Depreciation, amortization and impairment losses for the review period amounted to EUR 9.1 million (9.5).

## **PROGRESS IN SUSTAINABILITY**

We have strong focus on safety and accident prevention, and our long-term target is to have zero lost-time accidents. During the first half of the year there were 2 (3) LTAs at Suominen sites.

We systematically measure our employee engagement by conducting our engagement survey, Suominen Vibe, every year. During the first half of 2024, we continued our development actions based on the results from the survey conducted last year.

We are committed to continuously improving our production efficiency and the efficient utilization of natural resources. In the first half of the year, we continued our actions to reduce energy consumption, greenhouse gas emissions, water consumption and waste to landfill. Our target is to reduce these by 20% per ton of product by 2025 compared to the base year of 2019.

We offer a comprehensive portfolio of sustainable nonwovens to our customers and continuously develop innovative solutions with a reduced environmental impact. Our target is a 50% increase in sales of sustainable nonwovens by 2025 compared to 2019, and to have over 10 sustainable product launches per year.

Suominen reports progress in its key sustainability KPIs annually.

As part of our Annual Report 2023 published in March 2024 we reported on the progress of our sustainability performance. Our sustainability reporting in 2023 was done in accordance with the GRI Standards from the Global Reporting Initiative and it was assured by an external partner.

## **INFORMATION ON SHARES AND SHARE CAPITAL**

### **Share capital**

The number of Suominen's registered shares was 58,259,219 on June 30, 2024, equaling to a share capital of EUR 11,860,056.00.

### **Share trading and price**

The number of Suominen shares traded on Nasdaq Helsinki from January 1 to June 30, 2024, was 403,056 shares, accounting for 0.7% of the average number of shares (excluding treasury shares). The highest price was EUR 2.93, the lowest EUR 2.50, and the volume-weighted average price EUR 2.72. The closing price at the end of review period was EUR 2.74. The market capitalization (excluding treasury shares) was EUR 158.2 million on June 30, 2024.

### **Treasury shares**

On June 30, 2024, Suominen Corporation held 532,116 treasury shares.

As a part of the CEO's share-based payment plan vested, in total 9,556 shares were transferred to the CEO in June.

In accordance with the resolution by the Annual General Meeting, in total 25,088 shares were transferred in May to the members of the Board of Directors as their remuneration payable in shares.

### **The portion of the remuneration of the members of the Board of Directors paid in shares**

The Annual General Meeting held on April 4, 2024, decided that 75% of the annual remuneration of the members of the Board of Directors is paid in cash and 25% in Suominen Corporation's shares.

The number of shares forming the remuneration portion payable in shares was determined based on the share value in the stock exchange trading maintained by Nasdaq Helsinki Ltd, calculated as the trade volume-weighted average quotation of the share during the two-week period immediately following the date on which the Interim Report of January–March 2024 of the company was published. The shares were given out of the treasury shares held by the company by the decision of the Board of Directors on May 16, 2024.

### **Share-based incentive plans for the management and key employees**

The Group management and key employees participate in the company's share-based long-term incentive plans. The plans are described in more detail in the Financial Statements and in the Remuneration Report, available on the company's website [www.suominen.fi](http://www.suominen.fi).

Company's Performance Share Plan currently includes three 3-year performance periods, calendar years 2022–2024, 2023–2025 and 2024–2026. The aim of the Performance Share Plan is to combine the objectives of the shareholders and the persons participating in the plan in order to increase the value of the company in long-term, to build loyalty to the company and to offer them competitive reward plans based on earning and accumulating the company's shares.

Performance Share Plan: Ongoing performance periods

Performance Period	2022–2024	2023–2025	2024–2026
Incentive based on	Total Shareholder Return (TSR)	Total Shareholder Return (TSR)	Absolute Total Shareholder Return (40%), Relative Total Shareholder Return (40%) and operative performance and sustainability goal (20%)
Potential reward payment	Will be paid partly in Suominen shares and partly in cash in spring 2025	Will be paid partly in Suominen shares and partly in cash in spring 2026	Will be paid partly in Suominen shares and partly in cash in spring 2027
Participants	17 people	17 people	23 people
Maximum number of shares	135,500	510,500	937,673

The President & CEO of the company must hold 50% of the net number of shares given on the basis of the plan, as long as his or her shareholding in total corresponds to the value of his or her annual gross salary. A member of the Executive Team must hold 50% of the net number of shares given on the basis of the plan, as long as his or her shareholding in total corresponds to the value of half of his or her annual gross salary. Such number of shares must be held as long as the participant's employment or service in a group company continues.

The President & CEO's share-based incentive plan

The Board of Directors of Suominen Corporation resolved on May 19, 2023 to establish a new share-based incentive plan for the company's President & CEO. The aim of the plan is to align the objectives of the shareholders and the President & CEO in order to increase the value of Suominen in the long-term, to retain the President & CEO at the company, and to offer him a competitive reward plan that is based on acquiring, receiving and accumulating the company's shares.

Under the plan the President & CEO is expected to own or acquire up to 30,000 shares of Suominen Corporation at a price formed in public trading on Nasdaq Helsinki. Suominen will match the share investment by way of the President & CEO receiving, without consideration, up to 60,000 matching shares (gross, including also the proportion to be paid in cash).

The plan includes three vesting periods, June 1, 2023–June 1, 2024, June 1, 2023–June 1, 2025, and June 1, 2023–June 1, 2026. The potential reward will be paid partly in shares and partly in cash in three equal installments after each vesting period, provided that the President & CEO's service in the company is in force at the time of the reward payment. The cash proportion is intended to cover taxes and tax-related costs arising from the rewards to the President & CEO.

The first vesting period ended in June 2024, and in total 9,556 shares were transferred to the CEO.

## **ANNUAL GENERAL MEETING**

The Annual General Meeting (AGM) of Suominen Corporation was held on April 4, 2024.

The AGM adopted the Financial Statements for 2023 and discharged the members of the Board of Directors and the President and CEO from liability for the 2023 financial year.

The AGM resolved to approve the Remuneration Report for the Company's governing bodies for 2023. The resolution made is advisory. The AGM resolved to support the Remuneration Policy for the Company's governing bodies. The resolution made is advisory. The AGM approved the Board of Directors' proposals concerning the authorization for the Board to decide on repurchasing of the company's shares as well as issuance of shares and granting of options and other special rights entitling to shares.

The AGM confirmed the remuneration of the Board of Directors. The Chair will be paid an annual fee of EUR 74,000, the Deputy Chair an annual fee of EUR 45,000 and other Board members an annual fee of EUR 35,000. Chair of the Audit Committee will be paid an additional fee of EUR 10,000. Further, the members of the Board will receive a fee for each Board and Committee meeting as follows: EUR 500 for each meeting held in the home country of the respective member, EUR 1,000 for each meeting held elsewhere than in the home country of the respective member and EUR 500 for each meeting attended by telephone or other electronic means.

75% of the annual fee is paid in cash and 25% in Suominen Corporation's shares.

Compensation for expenses is paid in accordance with the company's valid travel policy.

The AGM decided that the number of Board members remains unchanged at six (6). Mr. Andreas Ahlström, Mr. Aaron Barsness, Mr. Björn Borgman, Ms. Nina Linander and Ms. Laura Remes were re-elected as members of the Board. Mr. Charles Héaulmé was elected as a new member of the Board.

Mr. Charles Héaulmé was elected as the Chair of the Board of Directors.

Ernst & Young Oy, Authorised Public Accountant firm, was re-elected as the auditor of the company for the next term of office in accordance with the Articles of Association. Ernst & Young Oy appointed Mr. Toni Halonen, Authorised Public Accountant, as the principally responsible auditor of the company.

Suominen published a stock exchange release on April 4, 2024, concerning the resolutions of the Annual General Meeting and the organizing meeting of the Board of Directors. The stock exchange release and an introduction of the new Board member can be viewed on Suominen's website at [www.suominen.fi](http://www.suominen.fi).

In compliance with the resolution of the Annual General Meeting, on April 15, 2024, Suominen paid out dividends in total of EUR 5.8 million for 2023, corresponding to EUR 0.10 per share.

### **Organizing meeting and permanent committees of the Board of Directors**

In its organizing meeting held after the AGM, the Board of Directors elected Andreas Ahlström as Deputy Chair of the Board.

The Board of Directors elected from among its members the members for the Audit Committee, Personnel and Remuneration Committee and Strategy Committee. Nina Linander was re-elected as the Chair of the Audit Committee and Andreas Ahlström and Laura Remes were re-elected as



members. Charles Héaulmé was elected as the Chair of the Personnel and Remuneration Committee and Björn Borgman and Aaron Barsness were re-elected as members. Laura Remes was re-elected as the Chair of the Strategy Committee and Andreas Ahlström and Aaron Barsness were re-elected as members.

### **Authorizations of the Board of Directors**

The AGM authorized the Board of Directors to decide on repurchasing a maximum of 1,000,000 company's own shares. The company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition. The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

The shares shall be repurchased to be used in the company's share-based incentive programs, in order to disburse the remuneration of the members of the Board of Directors, for use as consideration in acquisitions related to the company's business, or to be held by the company, to be conveyed by other means or to be cancelled.

The Board of Directors shall decide on other terms and conditions related to the repurchase of the company's own shares. The repurchase authorization is valid until June 30, 2025, and it revokes all earlier authorizations to repurchase company's own shares.

The AGM authorized the Board of Directors to decide on the share issue, conveying the company's own shares held by the company and/or granting of options and other special rights referred to in Chapter 10, Section 1 of the Companies Act.

By virtue of the proposed authorization, the Board of Directors may, by one or several resolutions, issue a maximum of 5,000,000 shares. The share issue and shares granted by virtue of options and other special rights are included in the aforementioned maximum number. Option and other special rights may not be granted as a part of the company's remuneration system.

The share issue can be made either against payment or without payment and can also be directed to the company itself. The authorization entitles the Board of Directors to issue the shares also otherwise than in proportion to the shareholdings of the shareholders (directed share issue). The authorization can be used to carry out acquisitions or other arrangements related to the company's business, to finance investments, to improve the company's financial structure, as part of the company's remuneration system or to pay the share proportion of the remuneration of the members of the Board of Directors or for other purposes decided by the Board of Directors.

The authorizations shall revoke all earlier authorizations regarding share issue and issuance of special rights entitling to shares. The Board of Directors shall decide on all other terms and conditions related to the authorizations. The authorizations are valid until June 30, 2025.

### **NOTIFICATIONS UNDER CHAPTER 9, SECTION 5 OF THE SECURITIES MARKET ACT**

During the review period Suominen received no notifications under Chapter 9, Section 5 of the Securities Market Act.

## **CHANGES IN THE EXECUTIVE TEAM**

On May 31, 2024, Suominen announced that Klaus Korhonen, EVP, HR & Legal will leave the company.

## **SHORT TERM RISKS AND UNCERTAINTIES**

Regarding the war in Ukraine, the direct impact to Suominen's business is minor as we have no customers nor suppliers in Russia, Belarus or Ukraine. Suominen as a company is mostly affected by the indirect economic impacts of the war.

Suominen's other risks and uncertainties include but are not limited to: risks related to manufacturing, competition, raw material prices and availability and customer specific volumes and credits, changes in legislation, political environment or economic conditions and investments, and financial risks.

A more detailed description of risks is available in Suominen's Annual Report 2023 at [suominen.fi/investors](https://suominen.fi/investors).

## **BUSINESS ENVIRONMENT**

Suominen's nonwovens are, for the most part, used in daily consumer goods, such as wipes as well as in hygiene and medical products. In these target markets of Suominen, the general economic situation determines the development of consumer demand, even though the demand for consumer goods is not very cyclical in nature. North America and Europe are the largest market areas for Suominen. In addition, the company operates in the South American markets. The growth in the demand for nonwovens has typically exceeded the growth of gross domestic product by a couple of percentage points.

We follow closely market development and signals from our customers, but the overall global economic uncertainty and fierce competition continue to make the longer-term visibility challenging. It remains to be seen how the current economic climate impacts the end consumer demand and consumer preferences regarding wipes. Historically, the wipes market has been rather steady despite the general economic situation.

Instabilities in Israel and in the Red Sea area, and the war in Ukraine continue to generate uncertainty globally. Possible impacts to Suominen are expected to be mainly indirect and we continue to monitor the situations.

## **OUTLOOK FOR 2024**

Suominen expects that its comparable EBITDA (earnings before interest, taxes, depreciation and amortization) in 2024 will increase from 2023. In 2023, Suominen's comparable EBITDA was EUR 15.8 million.

## **CORPORATE GOVERNANCE AND REMUNERATION REPORT**

Suominen has prepared a separate Corporate Governance Statement and a Remuneration Report for 2023, which comply with the recommendations of the Finnish Corporate Governance Code for listed companies. The statements also cover other central areas of corporate governance. The statements

have been published on Suominen's website, separately from the Report of the Board of Directors, at [www.suominen.fi](http://www.suominen.fi)

#### **EVENTS AFTER THE REPORTING PERIOD**

There were no events after the reporting period.

#### **AUDIOCAST AND CONFERENCE CALL**

Tommi Björnman, President & CEO, and Janne Silonsaari, CFO, will present the result in English in an audiocast for analysts, investors and media on August 9 at 11:00 a.m. (EEST). The audiocast can be followed at <https://suominen.videosync.fi/q2-2024>. The recording of the audiocast and the presentation material will be available after the event at [www.suominen.fi](http://www.suominen.fi)

Conference call participants can access the teleconference by registering at <https://palvelu.flik.fi/teleconference/?id=50048413>. The phone numbers and a conference ID to access the conference will be provided after the registration.

#### **NEXT FINANCIAL REPORT**

Suominen Corporation will publish its Interim Report for January–September 2024 on November 6, 2024, approximately at 9:30 a.m. (EET).

**SUOMINEN GROUP JANUARY 1 – JUNE 30, 2024**

The figures in these half-year financial statements are mainly presented in EUR thousands. As a result of rounding differences, the figures presented in the tables do not necessarily add up to total.

This half-year report has not been audited.

This half-year report has been prepared in accordance with the principles defined in IAS 34 Interim Financial Reporting. The principles for preparing the interim report are the same as those used for preparing the consolidated financial statements for 2023, with the exception of the effect of the new accounting standards and interpretations which have been applied from January 1, 2024.

The new or amended standards or interpretations applicable from January 1, 2024, are not material for Suominen Group.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

EUR thousand	<b>30.6.2024</b>	30.6.2023	31.12.2023
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	<b>15,496</b>	15,496	15,496
Intangible assets	<b>4,339</b>	7,887	6,084
Property, plant and equipment	<b>115,183</b>	112,441	112,727
Right-of-use assets	<b>11,178</b>	11,976	11,109
Equity instruments	<b>421</b>	421	421
Other non-current receivables	<b>110</b>	75	83
Deferred tax assets	<b>1,695</b>	459	2,048
<b>Total non-current assets</b>	<b>148,421</b>	148,755	147,967
<b>Current assets</b>			
Inventories	<b>44,883</b>	48,581	37,914
Trade receivables	<b>68,911</b>	63,109	62,325
Other current receivables	<b>5,514</b>	9,673	7,345
Assets for current tax	<b>835</b>	1,545	2,128
Cash and cash equivalents	<b>45,919</b>	48,598	58,755
<b>Total current assets</b>	<b>166,062</b>	171,507	168,467
<b>Total assets</b>	<b>314,483</b>	320,261	316,434
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	<b>11,860</b>	11,860	11,860
Share premium account	<b>24,681</b>	24,681	24,681
Reserve for invested unrestricted equity	<b>75,692</b>	75,692	75,692

Fair value and other reserves	<b>436</b>	316	316
Exchange differences	<b>1,723</b>	1,954	111
Retained earnings	<b>3,689</b>	12,732	12,251
<b>Total equity attributable to owners of the parent</b>	<b>118,081</b>	127,236	124,912

**Liabilities**
**Non-current liabilities**

Deferred tax liabilities	<b>9,034</b>	10,296	9,362
Liabilities from defined benefit plans	<b>172</b>	164	179
Non-current provisions	<b>596</b>	4,350	564
Non-current lease liabilities	<b>9,766</b>	10,869	9,711
Debentures	<b>49,526</b>	49,371	49,449
<b>Total non-current liabilities</b>	<b>69,094</b>	75,050	69,265

**Current liabilities**

Current provisions	<b>3,020</b>	–	3,870
Current lease liabilities	<b>2,763</b>	3,127	3,117
Other current interest-bearing liabilities	<b>40,000</b>	40,000	40,000
Liabilities for current tax	<b>221</b>	577	148
Trade payables and other current liabilities	<b>81,303</b>	74,271	75,122
<b>Total current liabilities</b>	<b>127,308</b>	117,975	122,257

<b>Total liabilities</b>	<b>196,402</b>	193,025	191,522
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<b>Total equity and liabilities</b>	<b>314,483</b>	320,261	316,434
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

EUR thousand	<b>4-6/ 2024</b>	4-6/ 2023	<b>1-6/ 2024</b>	1-6/ 2023	1-12/ 2023
<b>Net sales</b>	<b>118,668</b>	112,673	<b>232,255</b>	229,466	450,851
Cost of goods sold	<b>-109,756</b>	-109,605	<b>-215,200</b>	-221,544	-428,122
<b>Gross profit</b>	<b>8,912</b>	3,068	<b>17,055</b>	7,922	22,729
Other operating income	<b>516</b>	637	<b>1,195</b>	1,739	4,802
Sales, marketing and administration expenses	<b>-9,032</b>	-6,902	<b>-16,809</b>	-14,239	-28,497
Research and development expenses	<b>-1,182</b>	-1,105	<b>-2,145</b>	-1,986	-3,851
Other operating expenses	<b>-32</b>	-2,421	<b>-14</b>	-2,252	-2,700
<b>Operating profit</b>	<b>-816</b>	-6,722	<b>-718</b>	-8,816	-7,517
Net financial expenses	<b>-1,095</b>	-1,293	<b>-1,885</b>	-2,830	-5,987
<b>Profit before income taxes</b>	<b>-1,911</b>	-8,016	<b>-2,603</b>	-11,646	-13,504
Income taxes	<b>-28</b>	-170	<b>-341</b>	-489	719

<b>Profit for the period</b>	<b>-1,939</b>	-8,186	<b>-2,944</b>	-12,135	-12,786
<b>Earnings per share, EUR</b>					
Basic	<b>-0.03</b>	-0.14	<b>-0.05</b>	-0.21	-0.22
Diluted	<b>-0.03</b>	-0.14	<b>-0.05</b>	-0.21	-0.22

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

EUR thousand	<b>4-6/ 2024</b>	4-6/ 2023	<b>1-6/ 2024</b>	1-6/ 2023	1-12/ 2023
<b>Profit for the period</b>	<b>-1,939</b>	-8,186	<b>-2,944</b>	-12,135	-12,786
<b>Other comprehensive income:</b>					
<b>Other comprehensive income that will be subsequently reclassified to profit or loss</b>					
Exchange differences	<b>-161</b>	808	<b>1,991</b>	-948	-2,991
Income taxes related to other comprehensive income	<b>-119</b>	-10	<b>-379</b>	224	424
<b>Total</b>	<b>-280</b>	798	<b>1,612</b>	-724	-2,567
<b>Other comprehensive income that will not be subsequently reclassified to profit or loss</b>					
Remeasurements of defined benefit plans	-	-	-	-	-22
Income taxes related to other comprehensive income	-	-	-	-	-
<b>Total</b>	-	-	-	-	-22
<b>Total other comprehensive income</b>	<b>-280</b>	798	<b>1,612</b>	-724	-2,589
<b>Total comprehensive income for the period</b>	<b>-2,219</b>	-7,388	<b>-1,332</b>	-12,859	-15,375

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
<b>Equity 1.1.2024</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>111</b>
Profit for the period	-	-	-	-

Other comprehensive income	-	-	-	1,612
<b>Total comprehensive income</b>	-	-	-	<b>1,612</b>
Distribution of dividend	-	-	-	-
Share-based payments	-	-	-	-
Conveyance of treasury shares	-	-	-	-
Transfers	-	-	-	-
<b>Equity 30.6.2024</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>1,723</b>

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
<b>Equity 1.1.2024</b>	<b>316</b>	<b>12,251</b>	<b>124,912</b>
Profit for the period	-	-2,944	-2,944
Other comprehensive income	-	-	1,612
<b>Total comprehensive income</b>	-	<b>-2,944</b>	<b>-1,332</b>
Distribution of dividend	-	-5,769	-5,769
Share-based payments	-	210	210
Conveyance of treasury shares	-	61	61
Transfers	120	-120	-
<b>Equity 30.6.2024</b>	<b>436</b>	<b>3,689</b>	<b>118,081</b>

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
<b>Equity 1.1.2023</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>2,678</b>
Profit for the period	-	-	-	-
Other comprehensive income	-	-	-	-724
<b>Total comprehensive income</b>	-	-	-	<b>-724</b>
Distribution of dividend	-	-	-	-
Share-based payments	-	-	-	-
Conveyance of treasury shares	-	-	-	-
Transfers	-	-	-	-
<b>Equity 30.6.2023</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>1,954</b>

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
<b>Equity 1.1.2023</b>	<b>265</b>	<b>30,740</b>	<b>145,916</b>
Profit for the period	–	-12,135	-12,135
Other comprehensive income	–	–	-724
<b>Total comprehensive income</b>	<b>–</b>	<b>-12,135</b>	<b>-12,859</b>
Distribution of dividend	–	-5,767	-5,767
Share-based payments	–	-109	-109
Conveyance of treasury shares	–	55	55
Transfers	51	-51	–
<b>Equity 30.6.2023</b>	<b>316</b>	<b>12,732</b>	<b>127,236</b>

EUR thousand	Share capital	Share premium account	Reserve for invested unrestricted equity	Exchange differences
<b>Equity 1.1.2023</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>2,678</b>
Profit for the period	–	–	–	–
Other comprehensive income	–	–	–	-2,567
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-2,567</b>
Distribution of dividend	–	–	–	–
Share-based payments	–	–	–	–
Conveyance of treasury shares	–	–	–	–
Transfers	–	–	–	–
<b>Equity 31.12.2023</b>	<b>11,860</b>	<b>24,681</b>	<b>75,692</b>	<b>111</b>

EUR thousand	Fair value and other reserves	Retained earnings	Total equity attributable to owners of the parent
<b>Equity 1.1.2023</b>	<b>265</b>	<b>30,740</b>	<b>145,916</b>
Profit for the period	–	-12,786	-12,786
Other comprehensive income	–	-22	-2,589
<b>Total comprehensive income</b>	<b>–</b>	<b>-12,808</b>	<b>-15,375</b>
Distribution of dividend	–	-5,767	-5,767
Share-based payments	–	88	88
Conveyance of treasury shares	–	49	49



Transfers	51	-51	-
<b>Equity 31.12.2023</b>	<b>316</b>	<b>12,251</b>	<b>124,912</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

EUR thousand	1-6/2024	1-6/2023	1-12/2023
<b>Cash flow from operations</b>			
Profit for the period	<b>-2,944</b>	-12,135	-12,786
Total adjustments to profit for the period	<b>12,321</b>	14,360	26,612
Cash flow before changes in net working capital	<b>9,377</b>	2,225	13,826
Change in net working capital	<b>-6,988</b>	12,100	25,703
Financial items	<b>-2,823</b>	-2,792	-4,954
Income taxes	<b>352</b>	-1,861	-3,851
<b>Cash flow from operations</b>	<b>-81</b>	9,671	30,724
<b>Cash flow from investments</b>			
Investments in property, plant and equipment and intangible assets	<b>-6,383</b>	-3,663	-11,062
Sales proceeds from property, plant and equipment and intangible assets	<b>1</b>	31	36
<b>Cash flow from investments</b>	<b>-6,382</b>	-3,632	-11,027
<b>Cash flow from financing</b>			
Drawdown of current interest-bearing liabilities	<b>80,000</b>	160,000	240,000
Repayment of current interest-bearing liabilities	<b>-81,596</b>	-161,648	-243,271
Dividends paid	<b>-5,769</b>	-5,767	-5,767
<b>Cash flow from financing</b>	<b>-7,365</b>	-7,415	-9,038
<b>Change in cash and cash equivalents</b>	<b>-13,829</b>	-1,375	10,659
Cash and cash equivalents at the beginning of the period	<b>58,755</b>	49,508	49,508
Effect of changes in exchange rates	<b>993</b>	466	-1,412
Change in cash and cash equivalents	<b>-13,829</b>	-1,375	10,659
<b>Cash and cash equivalents at the end of the period</b>	<b>45,919</b>	48,598	58,755

**KEY RATIOS**

	<b>4-6/ 2024</b>	4-6/ 2023	<b>1-6/ 2024</b>	1-6/ 2023	1-12/ 2023
Change in net sales, % *	<b>5.3</b>	-4.5	<b>1.2</b>	0.5	-8.6
Gross profit, as percentage of net sales, %	<b>7.5</b>	2.7	<b>7.3</b>	3.5	5.0
Comparable EBITDA, as percentage of net sales, %	<b>4.2</b>	2.4	<b>4.1</b>	2.3	3.5
EBITDA, as percentage of net sales, %	<b>3.2</b>	-1.7	<b>3.6</b>	0.3	2.5
Comparable operating profit, as percentage of net sales, %	<b>0.3</b>	-1.9	<b>0.1</b>	-1.8	-0.6
Operating profit, as percentage of net sales, %	<b>-0.7</b>	-6.0	<b>-0.3</b>	-3.8	-1.7
Net financial items, as percentage of net sales, %	<b>-0.9</b>	-1.1	<b>-0.8</b>	-1.2	-1.3
Profit before income taxes, as percentage of net sales, %	<b>-1.6</b>	-7.1	<b>-1.1</b>	-5.1	-3.0
Profit for the period, as percentage of net sales, %	<b>-1.6</b>	-7.3	<b>-1.3</b>	-5.3	-2.8
Gross capital expenditure, EUR thousand	<b>4,441</b>	2,146	<b>6,445</b>	3,685	11,223
Depreciation, amortization and impairment losses, EUR thousand	<b>4,574</b>	4,800	<b>9,149</b>	9,541	18,680
Return on equity, rolling 12 months, %	-	-	<b>-2.9</b>	-14.5	-9.6
Return on invested capital, rolling 12 months, %	-	-	<b>0.3</b>	-6.7	-4.1
Equity ratio, %	-	-	<b>37.6</b>	39.7	39.5
Gearing, %	-	-	<b>47.9</b>	43.5	35.3
Average number of personnel (FTE - full time equivalent)	-	-	<b>674</b>	705	682
Earnings per share, EUR, basic	<b>-0.03</b>	-0.14	<b>-0.05</b>	-0.21	-0.22
Earnings per share, EUR, diluted	<b>-0.03</b>	-0.14	<b>-0.05</b>	-0.21	-0.22
Cash flow from operations per share, EUR	<b>0.04</b>	0.11	<b>0.00</b>	0.17	0.53
Equity per share, EUR	-	-	<b>2.05</b>	2.21	2.17
Number of shares, end of period, excluding treasury shares	-	-	<b>57,727,103</b>	57,692,459	57,692,459
Share price, end of period, EUR	-	-	<b>2.74</b>	2.90	2.85
Share price, period low, EUR	-	-	<b>2.50</b>	2.51	2.48
Share price, period high, EUR	-	-	<b>2.93</b>	3.48	3.48
Volume weighted average price during the period, EUR	-	-	<b>2.72</b>	2.89	2.85
Market capitalization, EUR million	-	-	<b>158.2</b>	167.3	164.4
Number of traded shares during the period	-	-	<b>403,056</b>	2,040,991	2,743,668
Number of traded shares during the period, % of average number of shares	-	-	<b>0.7</b>	3.5	4.8

\* Compared with the corresponding period in the previous year.

	<b>30.6.2024</b>	30.6.2023	31.12.2023
<b>Interest-bearing net debt, EUR thousands</b>			
Non-current interest-bearing liabilities, nominal value	<b>59,766</b>	60,869	59,711
Current interest-bearing liabilities, nominal value	<b>42,763</b>	43,127	43,117
Cash and cash equivalents	<b>-45,919</b>	-48,598	-58,755
Interest-bearing net debt	<b>56,610</b>	55,398	44,074

### **CALCULATION OF KEY RATIOS AND ALTERNATIVE PERFORMANCE MEASURES**

Key ratios per share are either IFRS key ratios (earnings per share) or required by Ordinance of the Ministry of Finance in Finland or alternative performance measures (cash flow from operations per share).

Some of the other key ratios Suominen publishes are alternative performance measures. An alternative performance measure is a key ratio, which has not been defined in IFRS standards. Suominen believes that the use of alternative performance measures provides useful information for example to investors regarding the Group's financial and operating performance and makes it easier to make comparisons between the reporting periods.

The link between the components of the key ratios per share and the consolidated financial statements is presented in the consolidated financial statements of 2023. The link between the components of the alternative performance measures and the consolidated financial statements is presented in Suominen's Annual Report for 2023.

### **Calculation of key ratios per share**

#### **Earnings per share**

$$\text{Basic earnings per share (EPS)} = \frac{\text{Profit for the period}}{\text{Share-issue adjusted average number of shares excluding treasury shares}}$$

$$\text{Diluted earnings per share (EPS)} = \frac{\text{Profit for the period}}{\text{Average diluted share-issue adjusted number of shares excluding treasury shares}}$$

EUR thousand	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
Profit for the period	, -2,944	-12,135	-12,786

Average share-issue adjusted number of shares	57,699,922	57,619,026	57,656,044
Average diluted share-issue adjusted number of shares excluding treasury shares	57,782,618	57,687,681	57,738,524

### Earnings per share

#### EUR

Basic	-0.05	-0.21	-0.22
Diluted	-0.05	-0.21	-0.22

### Cash flow from operations per share

		Cash flow from operations	
Cash flow from operations per share	=	Share-issue adjusted number of shares excluding treasury shares, end of reporting period	

	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
Cash flow from operations, EUR thousand	-81	9,671	30,724
Share-issue adjusted number of shares excluding treasury shares, end of reporting period	57,727,103	57,692,459	57,692,459
Cash flow from operations per share, EUR	0.00	0.17	0.53

### Equity per share

		Total equity attributable to owners of the parent	
Equity per share	=	Share-issue adjusted number of shares excluding treasury shares, end of reporting period	

	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
Total equity attributable to owners of the parent, EUR thousand	118,081	127,236	124,912
Share-issue adjusted number of shares excluding treasury shares, end of reporting period	57,727,103	57,692,459	57,692,459

Equity per share, EUR	2.05	2.21	2.17
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### Market capitalization

Market capitalization = Number of shares at the end of reporting period excluding treasury shares x share price at the end of period

	30.6.2024	30.6.2023	31.12.2023
Number of shares at the end of reporting period excluding treasury shares	57,727,103	57,692,459	57,692,459
Share price at end of the period, EUR	2.74	2.90	2.85
Market capitalization, EUR million	158.2	167.3	164.4

### Share turnover

Share turnover = The proportion of number of shares traded during the period to weighted average number of shares excluding treasury shares

	30.6.2024	30.6.2023	31.12.2023
Number of shares traded during the period	403,056	2,040,991	2,743,668
Average number of shares excluding treasury shares	57,699,922	57,619,026	57,656,044
Share turnover, %	0.7	3.5	4.8

### Calculation of key ratios and alternative performance measures

#### Operating profit and comparable operating profit

Operating profit (EBIT) = Profit before income taxes + net financial expenses

Comparable operating profit (EBIT) = Profit before income taxes + net financial expenses, adjusted with items affecting comparability

In order to improve the comparability of result between reporting periods, Suominen presents comparable operating profit as an alternative performance measure. Operating profit is adjusted with material items that are considered to affect comparability between reporting periods. These items include, among others, impairment losses or reversals of impairment losses, gains or losses from the sales of property, plant and equipment or intangible assets or other assets and restructuring costs.

### Comparable EBIT (operating profit)

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Operating profit	-718	-8,816	-7,517
+ Dismissal costs affecting comparability	1,271	2,207	2,207
+ Restoration costs affecting comparability	-	2,341	2,344
+ Other gains and expenses affecting comparability	-184	81	116
+ Impairment losses of property, plant and equipment, affecting comparability of result	-	8	8
+ Impairment losses of right-of-use assets, affecting comparability of result	3	108	108
+ Impairment losses of inventories, affecting comparability of result	-53	-16	-16
Comparable operating profit	320	-4,086	-2,750

### EBITDA and comparable EBITDA

EBITDA = EBIT + depreciation, amortization and impairment losses

Comparable EBITDA = EBIT + depreciation, amortization and impairment losses, adjusted with items affecting comparability

### EBITDA and comparable EBITDA

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Operating profit	-718	-8,816	-7,517
+ Depreciation, amortization and impairment losses	9,149	9,541	18,680
EBITDA	8,431	726	11,163
EBITDA	8,431	726	11,163
+ Costs affecting comparability of result	1,034	4,613	4,650
Comparable EBITDA	9,465	5,338	15,813

### Gross capital expenditure

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Increases in intangible assets	54	96	169
Increases in property, plant and equipment	6,391	3,589	11,054
Gross capital expenditure	6,445	3,685	11,223

### Interest-bearing net debt

It is the opinion of Suominen that presenting interest-bearing liabilities not only at amortized cost but also at nominal value gives relevant additional information to the investors.

Interest-bearing net debt = Interest-bearing liabilities at nominal value - interest-bearing receivables - cash and cash equivalents

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Interest-bearing liabilities	102,055	103,367	102,278
Tender and issuance costs of the debentures	474	629	551
Cash and cash equivalents	-45 919	-48,598	-58,755
Interest-bearing net debt	56,610	55,398	44,074

Interest-bearing liabilities	102,055	103,367	102,278
Tender and issuance costs of the debentures	474	629	551
Nominal value of interest-bearing liabilities	102,529	103,996	102,828

### Return on equity (ROE), %

Return on equity (ROE), % = 
$$\frac{\text{Profit for the reporting period (rolling 12 months)} \times 100}{\text{Total equity attributable to owners of the parent (quarterly average)}}$$

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Profit for the reporting period (rolling 12 months)	-3,594	-21,343	-12,786
Total equity attributable to owners of the parent 30.6.2023 / 30.6.2022 / 31.12.2022	127,236	158,098	145,916

Total equity attributable to owners of the parent 30.9.2023 / 30.9.2022 / 31.3.2023	130,283	165,188	140,131
Total equity attributable to owners of the parent 31.12.2023 / 31.12.2022 / 30.6.2023	124,912	145,916	127,236
Total equity attributable to owners of the parent 31.3.2024 / 31.3.2023 / 30.9.2023	126,045	140,131	130,283
Total equity attributable to owners of the parent 30.6.2024 / 30.6.2023 / 31.12.2023	118,081	127,236	124,912
Average	125,311	147,314	133,695
Return on equity (ROE), %	-2.9	-14.5	-9.6

### Invested capital

Invested capital = Total equity attributable to owners of the parent + interest-bearing liabilities

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Total equity attributable to owners of the parent	118,081	127,236	124,912
Interest-bearing liabilities	102,055	103,367	102,278
Cash and cash equivalents	-45 919	-48,598	-58,755
Invested capital	174,218	182,005	168,435

### Return on invested capital (ROI), %

Return on invested capital (ROI), % =  $\frac{\text{Operating profit (rolling 12 months)} \times 100}{\text{Invested capital, quarterly average}}$

EUR thousand	30.6.2024	30.6.2023	31.12.2023
Operating profit (rolling 12 months)	581	-13,603	-7,517
Invested capital 30.6.2023 / 30.6.2022 / 31.12.2022	182,005	210,561	199,773
Invested capital 30.9.2023 / 30.9.2022 / 31.3.2023	181,914	230,264	194,290
Invested capital 31.12.2023 / 31.12.2022 / 30.6.2023	168,435	199,773	182,005
Invested capital 31.3.2024 / 31.3.2023 / 30.9.2023	174,706	194,290	181,914
Invested capital 30.6.2024 / 30.6.2023 / 31.12.2023	174,218	182,005	168,435
Average	176,255	203,379	185,283
Return on invested capital (ROI), %	0.3	-6.7	-4.1



**Equity ratio, %**

$$\text{Equity ratio, \%} = \frac{\text{Total equity attributable to owners of the parent} \times 100}{\text{Total assets} - \text{advances received}}$$

EUR thousand	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
Total equity attributable to owners of the parent	118,081	127,236	124,912
Total assets	314,483	320,261	316,434
Advances received	-37	-129	-104
	314,446	320,132	316,330
Equity ratio, %	37.6	39.7	39.5

**Gearing, %**

$$\text{Gearing, \%} = \frac{\text{Interest-bearing net debt} \times 100}{\text{Total equity attributable to owners of the parent}}$$

EUR thousand	<b>30.6.2024</b>	<b>30.6.2023</b>	<b>31.12.2023</b>
Interest-bearing net debt	56,610	55,398	44,074
Total equity attributable to owners of the parent	118,081	127,236	124,912
Gearing, %	47.9	43.5	35.3

**NET SALES BY GEOGRAPHICAL MARKET AREA**

EUR thousand	<b>1-6/2024</b>	1-6/2023	1-12/2023
Finland	<b>1,807</b>	1,727	3,240
Rest of Europe	<b>79,731</b>	81,070	155,759
North and South America	<b>150,354</b>	146,308	291,108
Rest of the world	<b>362</b>	361	743
Total	<b>232,255</b>	229,466	450,851

**QUARTERLY SALES DEVELOPMENT BY BUSINESS AREA**

EUR thousand	2024		2023			
	4-6	1-3	10-12	7-9	4-6	1-3
Americas	75,694	70,030	72,336	70,865	69,770	75,044
EMEA	42,977	43,549	42,635	35,553	42,896	41,756
Unallocated exchange differences and eliminations	-3	8	-33	29	7	-8
Total	118,668	113,587	114,938	106,447	112,673	116,793

**QUARTERLY DEVELOPMENT**

EUR thousand	2024		2023			
	4-6	1-3	10-12	7-9	4-6	1-3
Net sales	118,668	113,587	114,938	106,447	112,673	116,793
Comparable EBITDA	4,982	4,484	5,275	5,200	2,690	2,648
<i>as % of net sales</i>	4.2	3.9	4.6	4.9	2.4	2.3
Items affecting comparability	-1,224	190	-11	-26	-4,613	-
EBITDA	3,758	4,673	5,263	5,174	-1,922	2,648
<i>as % of net sales</i>	3.2	4.1	4.6	4.9	-1.7	2.3
Comparable operating profit	408	-88	670	666	-2,102	-1,985
<i>as % of net sales</i>	0.3	-0.1	0.6	0.6	-1.9	-1.7
Items affecting comparability	-1,224	186	-11	-26	-4,621	-108
Operating profit	-816	99	658	640	-6,722	-2,093
<i>as % of net sales</i>	-0.7	0.1	0.6	0.6	-6.0	-1.8
Net financial items	-1,095	-790	-2,005	-1,152	-1,293	-1,537
Profit before income taxes	-1,911	-691	-1,347	-512	-8,016	-3,630
<i>as % of net sales</i>	-1.6	-0.6	-1.2	-0.5	-7.1	-3.1

**RELATED PARTY INFORMATION**

The related parties of Suominen include the members of the Board of Directors, President & CEO and the members of the Corporate Executive Team as well as their family members and their controlled companies. In addition, shareholders who have a significant influence in Suominen through share ownership are included in related parties. Suominen has no associated companies.

In its transactions with related parties Suominen follows the same commercial terms as in transactions with third parties.

The Annual General Meeting held on April 4, 2024, resolved that 25% of the annual remuneration for the Board of Directors is paid in Suominen Corporation's shares. The number of shares transferred to the members of the Board of Directors as their remuneration payable in shares for 2024 was 25,088 shares. The shares were transferred on May 16, 2024, and the value of the transferred shares totaled EUR 67,236.

A part of the CEO's share-based plan vested, and shares were transferred to the CEO plan in June. The number of the shares transferred was 9,556 shares. The value of the shares and the portion settled in cash was EUR 54,422.

### CHANGES IN PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

EUR thousand	30.6.2024		30.6.2023		31.12.2023	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
Carrying amount at the beginning of the period	112,727	6,084	116,195	9,709	116,195	9,709
Capital expenditure and increases	6,391	54	3,589	96	11,054	169
Disposals and decreases	-	-	0	-	0	-
Depreciation, amortization and impairment losses	-5,967	-1,800	-6,111	-1,917	-12,012	-3,792
Exchange differences and other changes	2,032	0	-1,232	-1	-2,510	-2
Carrying amount at the end of the period	115,183	4,339	112,441	7,887	112,727	6,084

Goodwill is not included in intangible assets.

EUR thousand	30.6.2024	30.6.2023	31.12.2023
	Right-of-use assets	Right-of-use assets	Right-of-use assets
Carrying amount at the beginning of the period	11,109	11,902	11,902
Increases	1,322	1,724	2,410
Disposals and decreases	-25	-28	-148
Depreciation, amortization and impairment losses	-1,382	-1,513	-2,876
Exchange differences and other changes	155	-108	-180
Carrying amount at the end of the period	11,178	11,976	11,109

**CHANGES IN INTEREST-BEARING LIABILITIES**

EUR thousand	1-6/2024	1-6/2023	1-12/2023
<b>Total interest-bearing liabilities at the beginning of the period</b>	<b>102,278</b>	103,365	103,365
Current liabilities at the beginning of the period	<b>43,117</b>	42,855	42,855
Repayment of current liabilities, cash flow items	<b>-81,596</b>	-161,648	-243,271
Drawdown of current liabilities, cash flow items	<b>80,000</b>	160,000	240,000
Increases in current liabilities, non-cash flow items	<b>227</b>	548	782
Decreases of current liabilities, non-cash flow items	<b>-194</b>	-19	-82
Reclassification from non-current liabilities	<b>1,167</b>	1,412	2,878
Exchange rate difference, non-cash flow item	<b>41</b>	-21	-44
Current liabilities at the end of the period	<b>42,763</b>	43,127	43,117
Non-current liabilities at the beginning of the period	<b>9,711</b>	11,215	11,215
Increases in non-current liabilities, non-cash flow items	<b>1,094</b>	1,176	1,629
Decreases of non-current liabilities, non-cash flow items	<b>-8</b>	-10	-67
Reclassification to current liabilities	<b>-1,167</b>	-1,412	-2,878
Exchange rate difference, non-cash flow item	<b>136</b>	-99	-188
Non-current liabilities at the end of the period	<b>9,766</b>	10,869	9,711
Non-current debentures at the beginning of the period	<b>49,449</b>	49,295	49,295
Periodization of debentures to amortized cost, non-cash flow items	<b>77</b>	76	154
Non-current debentures at the end of the period	<b>49,526</b>	49,371	49,449
<b>Total interest-bearing liabilities at the end of the period</b>	<b>102,055</b>	103,367	102,278

**CONTINGENT LIABILITIES**

EUR thousands	30.6.2024	30.6.2023	31.12.2023
<b>Other commitments</b>			
Leasing commitments	<b>465</b>	92	71
Contractual commitments to acquire property, plant and equipment	<b>3,378</b>	2,670	1,368
Commitments to leases not yet commenced	<b>83</b>	152	1,485
<b>Guarantees</b>			
On own behalf	<b>2,458</b>	3,051	2,440
Other own commitments	<b>12,187</b>	21,825	16,774
	<b>14,646</b>	24,876	19,214

**FINANCIAL ASSETS BY CATEGORY**

- a. Fair value through profit or loss
- b. Financial assets at amortized cost
- c. Financial assets at fair value through other comprehensive income
- d. Carrying amount
- e. Fair value

EUR thousand	Classification				
	a.	b.	c.	d.	e.
Equity instruments	–	–	421	421	421
Trade receivables	–	68,911	–	68,911	68,911
Interest and other financial receivables	–	319	–	319	319
Cash and cash equivalents	–	45,919	–	45,919	45,919
<b>Total 30.6.2024</b>	<b>–</b>	<b>115,148</b>	<b>421</b>	<b>115,569</b>	<b>115,569</b>

EUR thousand	Classification				
	a.	b.	c.	d.	e.
Equity instruments	–	–	421	421	421
Trade receivables	–	62,375	–	62,375	62,375
Interest and other financial receivables	–	201	–	201	201
Cash and cash equivalents	–	58,755	–	58,755	58,755
<b>Total 31.12.2023</b>	<b>–</b>	<b>121,281</b>	<b>421</b>	<b>121,702</b>	<b>121,702</b>

Principles in estimating fair value of financial assets for 2024 are the same as those used for preparing the consolidated financial statements for 2023.

**FINANCIAL LIABILITIES**

EUR thousand	30.6.2024			31.12.2023		
	Carrying amount	Fair value	Nominal value	Carrying amount	Fair value	Nominal value
<b>Non-current financial liabilities</b>						
Debentures	49,526	43,225	50,000	49,449	42,080	50,000
Lease liabilities	9,766	9,766	9,766	9,711	9,711	9,711
Total non-current financial liabilities	59,292	52,991	59,766	59,160	51,791	59,711
<b>Current financial liabilities</b>						

Current loans from financial institutions	40,000	40,000	40,000	40,000	40,000	40,000
Lease liabilities	2,763	2,763	2,763	3,117	3,117	3,117
Interest accruals	194	194	194	626	626	626
Other current liabilities	279	279	279	508	508	508
Trade payables	64,780	64,780	64,780	60,562	60,562	60,562
Total current financial liabilities	108,016	108,016	108,016	104,814	104,814	104,814
<b>Total</b>	<b>167,308</b>	<b>161,007</b>	<b>167,782</b>	163,974	156,605	164,525

Principles in estimating fair value for financial liabilities for 2024 are the same as those used for preparing the consolidated financial statements for 2023.

#### FAIR VALUE MEASUREMENT HIERARCHY

EUR thousands	Level 1	Level 2	Level 3
<b>Financial assets and liabilities at fair value</b>			
Equity instruments	–	–	421
<b>Total</b>	–	–	<b>421</b>

Principles in estimating fair value of financial assets and their hierarchies for 2024 are the same as those used for preparing the consolidated financial statements for 2023.

There were no transfers in the fair value measurement hierarchy levels during the reporting period.

SUOMINEN CORPORATION  
Board of Directors

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*Suominen manufactures nonwovens as roll goods for wipes and other applications. Our vision is to be the frontrunner for nonwovens innovation and sustainability. The end products made of Suominen's nonwovens are present in people's daily life worldwide. Suominen's net sales in 2023 were EUR 450.9 million and we have nearly 700 professionals working in Europe and in the Americas. Suominen's shares are listed on Nasdaq Helsinki. Read more at [www.suominen.fi](http://www.suominen.fi).*

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